Management Discussion and Analysis

Overview

2Q12 and 1H12 Performance

Minor International Public Company Limited ("MINT") continued to report robust growth in both revenues and net profit in 2Q12. Total revenues increased by 20% y-y to Bt 7,524m, while net profit increased by a greater extent of 30% y-y to Bt 364m. In 2Q11, MINT recorded one-time fair value adjustment in revenue of Bt 203m from adjusting the first 20% investment in Oaks Hotels and Resorts, Australia ("Oaks") from AUD 0.35 per share to AUD 0.52 per share; after netting off the transaction expenses, the one-time net profit from the transaction is Bt 89m. Taking out this one-time item, 2Q12 total revenues increased by 24% and net profit increased by 91% y-y. In addition to strong organic performance of all businesses, key growth drivers were the full operations of Anantara Kihavah in the Maldives and St. Regis Hotel in Bangkok, which were only partially operational in 2Q11, as well as the full consolidation of Oaks in 2Q12 vs. one-month consolidation in 2Q11.

Revenue contribution from hotel & mixed-use business increased to 46% of total revenue in 2Q12, from 41% in 2Q11, as a result of improvement in the operations of the hotel and mixed-use businesses, together with the contribution from Oaks, which was fully consolidated in 2Q12. Restaurant business accounted for 43% while retail trading and contract manufacturing contributed the remaining 11% in 2Q12.

Revenue Breakdown

Bt million	**2Q12**	**2Q11**	**%Chg**
Restaurant Services	3,237	2,901	12%
Hotel & Mixed-Use	3,480	2,598	34%
Retail Trading & Contract Manufacturing	807	779	4%
Total Revenue*	**7,524**	**6,278**	**20%**

* Including share of profit from investments in associates and joint ventures
** Dividend income from S&P prior to 3Q11 has been restated from hotel to restaurant business unit

MINT reported 1H12 total revenues of Bt 16,292m, an increase of 26% from the same period last year. The growth was due to strong performances of all business units, together with the full consolidation of Oaks. Excluding Oaks, MINT's 1H12 revenues increased by 12% y-y.

Because of the hotel's strong performance, together with contribution from Oaks, hotel & mixed-use business accounted for 49% of total revenues in 1H12. Restaurant business contributed 41% and retail trading and contract manufacturing contributed another 10%.

Revenue Breakdown

Bt million	**1H12**	**1H11**	**%Chg**
Restaurant Services	6,688	5,864	14%
Hotel & Mixed-Use	8,007	5,474	46%
Retail Trading & Contract Manufacturing	1,596	1,619	-1%
Total Revenue	**16,292**	**12,957**	**26%**

* Including share of profit from investments in associates and joint ventures
** Dividend income from S&P prior to 3Q11 has been restated from hotel to restaurant business unit

In 2Q12, MINT reported EBITDA of Bt 1,311m, a 22% growth over the same period last year. The increase was due primarily to improved profitability of hotel and restaurant operations. Hotel & mixed-use and restaurant businesses accounted for 55% and 42% of total EBITDA in 2Q12, respectively. Retail trading & contract manufacturing, whose NMT manufacturing plant recently resumed full operations in June 2012 since the flood in 4Q11, contributed the remaining 3% of total EBITDA.

EBITDA Breakdown

Bt million	**2Q12**	**2Q11**	**%Chg**
Restaurant Services	549	483	14%
Hotel & Mixed-Use	726	533	36%
Retail Trading & Contract Manufacturing	36	57	-36%
Total EBITDA	**1,311**	**1,072**	**22%**
EBITDA Margin	**17%**	**17%**	

* Dividend income from S&P prior to 3Q11 has been restated from hotel to restaurant business unit

1H12 MINT EBITDA grew by 38% to Bt 3,557m with an improved EBITDA margin of 22%. Hotel & mixed-use business represented 64% of total EBITDA in 1H12, while restaurant business accounted for 32%. Retail trading and contract manufacturing business accounted for the remaining 4%.

EBITDA Breakdown

Bt million	**1H12**	**1H11**	**%Chg**
Restaurant Services	1,132	950	19%
Hotel & Mixed-Use	2,285	1,508	52%
Retail Trading & Contract Manufacturing	139	121	16%
Total EBITDA	**3,557**	**2,578**	**38%**
EBITDA Margin	**22%**	**20%**	

* Dividend income from S&P prior to 3Q11 has been restated from hotel to restaurant business unit

MINT reported net profit of Bt 364m in 2Q12, up 30% y-y. 2Q12 net profit margin improved slightly from 4% in 2Q11 to 5% this quarter. Excluding one-time adjustment of fair value of investment in Oaks in 2Q11 of Bt 89m, net profit from operations increased by 91% y-y, while net profit margin from operations in 2Q11 was 3%.

On the back of strong profitability during the hotel's peak season in the first quarter, 1H12 net profit margin improved significantly from 9% in 1H11 (8% excluding one-time adjustment of fair value of investment in Oaks) to 10% in 2H12.

Net Profit

Bt million	**2Q12**	**2Q11**	**%Chg**
Total net profit	364	280	30%
Net Profit Margin	**5%**	**4%**	
	1H12	**1H11**	**%Chg**
Total net profit	1,639	1,102	49%
Net Profit Margin	**10%**	**9%**	

Major Developments in 2Q12

	Developments
Restaurant	• Opened 10 outlets, net. 16 equity-owned outlets of Dairy Queen were sold to franchisees as part of the plan to promote Dairy Queen's franchising business • Strengthened Minor Food Group's position in Korea by opening additional three franchised outlets of Thai Express. As at the end of 2Q12, the Company had a total of 5 Thai Express outlets in the country • Opened the first two Swensen's equity-owned outlets in the Maldives at both domestic and international terminals of the airport
Hotel & Mixed-Use	• Invested in one of Phuket's most luxurious hotels, Bundarika Villas & Suites on the secluded Layan Beach • Soft-launched two new managed hotels; Anantara Eastern Mangroves in Abu Dhabi and Anantara Uluwatu in Bali, while Hua Hin Marriott Resort & Spa was closed as the leasehold agreement ended • Transferred and recorded 2Q12 revenues for 5% of total sellable area of St. Regis Residence • Anantara Vacation Club announced the inventory purchase of 18 units in Bali, and additional three units in Bangkok
Retail Trading	• NMT manufacturing plantresumed its full operation in June with increased order from global fast moving consumer goods (FMCG) players

Segment Performance

Restaurant Business

At the end of 2Q12, MINT's total restaurants reached 1,274 outlets, comprising 708 equity-owned outlets (56% of total), and 566 franchised outlets (44% of total). Of total, 844 food outlets (66% of total) are in Thailand, while the remaining 430 outlets (34% of total) are located in Australia, New

Zealand, China, Middle East, India, Maldives and other countries in Asia. Sixteen new outlets were opened in 2Q12, while six outlets were closed, including one The Pizza Company outlet in China and one Thai Express outlet in Singapore, as part of the continued plan to rationalize the Chinese and Thai Express's operations.

Restaurant Outlets by Owned Equity and Franchise

	2Q12	Chg q-q	Chg y-y
Owned Equity	708	-9	26
- Thailand	610	-13*	18*
- Overseas	98	4	8
Franchise	566	19	79
- Thailand	234	16*	47*
- Overseas	332	3	32
Total Outlets	**1,274**	**10**	**105**

* The change includes the 16 equity outlets of Dairy Queen which were sold to franchisees as part of Dairy Queen's domestic sub-franchise plan

Restaurant Outlets by Brand

	2Q12	Chg q-q	Chg y-y
The Pizza Company	285	0	33
Swensen's	268	2	19
Sizzler	44	0	0
Dairy Queen	266	3	18
Burger King	27	0	0
The Coffee Club*	301	1	31
Thai Express	68	4	4
Others**	15	0	0
Total Outlets	**1,274**	**10**	**105**

* The Coffee Club group includes Ribs and Rumps
** Others include restaurants at the airport under MINT's 51% JV, Select Service Partner

Brand Performance Analysis

All brands, except Thai Express, reported positive same store sales growth throughout the second quarter. Three brands saw notable increases in same store sales; The Pizza Company, Swensen's and Dairy Queen, due mainly to the successful promotions of TPC's Bt-399 set, SW's chocolate sundae and DQ's Loacker menu. Sizzler's same store sales increased only slightly, partly because the brand is in the process of adjusting its marketing plans. Thai Express' same store sales, on the other hand, declined by 8.4% partly because Xin Wang Hong Kong Cafe, Thai Express's sub-brand, went through new menu launch in May 2012, as part of the effort to continue the rationalization of Thai Express portfolio. In any case, Thai Express same store sales saw an encouraging improvement throughout the three months in 2Q12.

In 2Q12, MINT continued its international expansion with the opening of the first two equity Swensen's outlets in both domestic and international terminals of the Maldives airport, together with additional franchised outlets of The Coffee Club in Australia and Thai Express in Korea. With the outlet expansion both in Thailand and overseas, total system sales increased by 13.6% in 2Q12.

Although Thai Express experienced negative same store sales growth in 2Q12, the costs and expenses have been well under control as a result of the rationalization process. Therefore, Thai Express's net profit increased by 9% y-y in 2Q12. Note also that Thai Express's profit contribution to MINT increased by a much larger magnitude on the back of MINT's increased stake holding in Thai Express since December 2011.

Restaurant Business Performance by Brand

Same Store Sales (% chg y-y)

	2Q12	2Q11	1H12	1H11
The Pizza Company	14.9	9.7	10.7	10.4
Swensen's	10.9	8.4	12.1	2.9
Sizzler	0.8	22.3	3.1	16.3
Dairy Queen	20.8	15.6	25.9	10.6
Burger King	9.6	34.0	7.8	19.9
The Coffee Club	2.7	12.8	3.5	12.0
Thai Express	(8.4)	1.0	(3.0)	(0.4)
Average	**6.5**	**12.3**	**7.1**	**10.0**

Total System Sales (% chg y-y)

	2Q12	2Q11	1H12	1H11
The Pizza Company	25.3	13.7	21.5	13.5
Swensen's	21.2	17.5	22.9	10.1
Sizzler	2.7	24.5	6.6	18.4
Dairy Queen	29.7	21.9	36.1	15.6
Burger King	9.7	30.7	8.5	19.5
The Coffee Club	10.1	19.0	11.5	18.0
Thai Express	0.8	4.7	(2.3)	3.5
Average	**13.6**	**17.4**	**14.0**	**14.6**

Note: Calculation based on local currency to exclude the impact of foreign exchange

Financial Performance Analysis

2Q12 total restaurant revenues grew by 12% y-y, mainly driven by strong operation of most brands. MINT's franchise fee grew by a healthy 25% y-y as a result of continued growth of domestic franchising business of all three brands – The Pizza Company, Swensen's and Dairy Queen. 2Q12 EBITDA grew at a faster rate of 14% y-y, as a result of effective cost control. EBITDA margin therefore was maintained at 17%.

By the same token, 1H12 total restaurant revenues grew by 14% y-y from the strong operations of the equity outlets, growth of the franchise business, together with the share of profit from the investment in S&P as opposed to the recognition of dividend income from S&P during the first 7 months of 2011. 1H12 restaurant EBITDA increased by 19% because of the efficient cost control since 1Q12. As a result, EBITDA margin improved to 17% in 1H12 against 16% in 1H11.

Revenue Breakdown

Bt million	**2Q12**	**2Q11**	**%Chg**
Revenues from Operation*	3,128	2,814	11%
Franchise Fee	109	87	25%
Total Revenues	3,237	2,901	12%
EBITDA	**549**	**483**	**14%**
EBITDA Margin (%)	**17%**	**17%**	
	1H12	**1H11**	**%Chg**
Revenues from Operation*	6,480	5,698	14%
Franchise Fee	209	166	26%
Total Revenues	6,688	5,864	14%
EBITDA	**1,132**	**950**	**19%**
EBITDA Margin (%)	**17%**	**16%**	

* Includes share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 2Q12, MINT owns twenty eight hotels and manages forty-nine hotels and serviced suites in ten countries. Altogether, these properties have 9,838 hotel rooms and serviced suites, including 3,145 that are equity-owned and 6,693 that are purely-managed by the Company and its subsidiary, Oaks. Of total, 3,067 rooms in Thailand accounted for 31%, while the remaining 6,771 rooms or 69% are located in Australia, New Zealand, Maldives, Indonesia, Sri Lanka, Vietnam, Africa, and the Middle East.

During 2Q12, MINT invested in one of Phuket's most luxurious hotels, Bundarika Villas & Suites on the secluded Layan Beach. The 77-villa hotel provides MINT with a good opportunity to further strengthen its brand in Thailand's largest island, as the hotel will later be rebranded to Anantara. In addition, two new managed hotels have undergone soft launches in 2Q12, including 222-room Anantara Eastern Mangroves in the heart of Abu Dhabi and 77-villa Anantara Uluwatu in Bali. On the other hand, MINT permanently closed 145-room Hua Hin Marriott Resort & Spa at the end of June 2012 as the leasehold right ended. The number of Hua Hin Marriott rooms were more than offset by the three new hotels in 2Q12, while the revenues contributed by Hua Hin Marriott will be more than compensated by the new hotels, including St. Regis Bangkok and Anantara Kihavah which were opened in 2011, together with the recently acquired Bundarika hotel in Phuket. For the Hua Hin market, MINT still has its presence through Anantara Hua Hin Resort and Spa.

Hotel Rooms by Owned Equity and Management

	2Q12	**Chg q-q**	**Chg y-y**
Equity-owned*	3,145	-142	-151
- Thailand	2,229	-142	-151
- Overseas	916	0	0
Management	6,815	395	465
- Thailand	838	0	0
- Overseas**	5,977	395	465
Total Hotel Rooms	**9,960**	**253**	**314**

* Equity owned includes all hotels which are majority-owned and joint ventures
** Includes both properties with management contracts and service contracts

Hotel Room by Brand

	2Q12	**Chg q-q**	**Chg y-y**
Anantara*	2,776	421	828
Four Seasons	505	0	0
Marriott*	563	-219	-632
Oaks	5,137	-26	44
Avani**	195	0	195
Others**	784	77	-121
Total Hotel Rooms	**9,960**	**253**	**314**

* Bangkok Marriott has been rebranded to Anantara Bangkok Riverside since November 2011
** Hotel Serendib and Serendipity Bentota and Kani Lanka Resort & Spa have been rebranded to Avani Bentota Resort & Spa and Avani Kalutara Resort & Spa, respectively

Hotel Brand Performance Analysis

In 2Q12, Minor Hotel Group's average occupancy increased by 10% to 66%, due to significant improvement in occupancy rates of hotels in Thailand, in particular in Bangkok, Phuket, Samui, and Anantara Kihavah in the Maldives which was opened in 2Q11, together with Oaks' high occupancy rate of 76%. Average daily rates ("ADR") improved slightly by 2%, attributable to lower ADR of Oaks. Excluding Oaks, MINT's ADR increased by 9%, driven mainly by the overseas hotels. As a result of the increased occupancy coupled with increased ADR of the portfolio, the average revenues per available room ("RevPar") increase by 20% in 2Q12.

For 1H12, all brands reported improvements in average occupancies. 1H12 average daily rate ("ADR") for all groups except Anantara and Four Seasons, also showed an improvement. The reduction in average room rates of Anantara and Four Seasons groups was compensated by the increase in occupancies as a result of periodic adjustment in distribution mix since 1Q12. RevPar of Anantara and Four Seasons in 1H12, hence, expanded by 20% and 12%, respectively.

Hotel Business Performance by Brand

Occupancy (%)

	2Q12	2Q11	1H12	1H11
Marriott*	66	62	73	70
Anantara*	51	44	58	45
Four Seasons	59	47	61	53
Oaks	76	75	77	75
Others**	49	39	54	48
Average	**66**	**56**	**69**	**58**

ADR (Bt/night)

	2Q12	2Q11	1H12	1H11
Marriott*	3,462	3,241	4,203	3,798
Anantara*	5,999	6,291	6,962	7,408
Four Seasons	7,568	7,565	8,496	8,730
Oaks	4,980	5,034	5,115	5,034
Others**	6,001	4,475	6,163	4,846
Average	**5,230**	**5,112**	**5,659**	**5,752**

RevPar (Bt/night)

	2Q12	2Q11	1H12	1H11
Marriott*	2,276	2,016	3,065	2,677
Anantara*	3,050	2,755	4,029	3,360
Four Seasons	4,444	3,589	5,206	4,638
Oaks	3,760	3,782	3,941	3,782
Others**	2,970	1,750	3,330	2,335
Average	**3,432**	**2,871**	**3,928**	**3,319**

* Bangkok Marriott has been rebranded to Anantara Bangkok Riverside since November 2011

** Others include St. Regis Bangkok, Naladhu Maldives, Avani Kalutara and Harbour View Vietnam

Hotel Performance Analysis

MINT's revenues from hotel operations in 2Q12 increased by 49% due mainly to 1) increased revenues from fully operated Anantara Kihavah in the Maldives and St. Regis Hotel Bangkok, whose RevPar expanded by 59% and 82%, respectively, 2) improvement in both occupancy rates and ADR of existing hotels and 3) the consolidation of Oaks. Excluding one-time revenues of Bt 203m from fair value adjustment for the first 20% investment in Oaks from AUD 0.35 per share to AUD 0.52 per share, MINT's 2Q12 revenues from hotel operations increased by 69%.

1H12 revenues from hotel operations grew by 76% (88% excluding one-time fair value adjustment of Oaks) primarily from the full operation of the two hotels, improvement of the existing hotels since the beginning of the year after the floods incident in Thailand, as well as MINT's six months consolidation of Oaks in 1H12 compared to one month consolidation since June 2011 in 1H11. Excluding Oaks, 1H12 revenues from hotel operations still saw robust growth of 18% y-y.

Mixed-Use Business & Performance Analysis

MINT's spa business is operated under Anantara, Mandara and Elemis brands. At the end of 2Q12, MINT owns and manages 38 spas in Thailand, China, Maldives, Tanzania, Jordan, UAE, Turkey, India, Egypt and Korea. In 2Q12, MINT reported a 14% increase in revenues from spa services to Bt 80m, while its spa revenues in 1H12 increased by 8% to Bt 163m, in line with the improvement in the hotel operations.

MINT's real estate business develops and sells properties in conjunction with the development of some of its hotels. The first project is the Estates Samui, consisting of 14 villas, adjacent to MINT's Four Seasons Hotel in Samui. The second project is St. Regis Residences, with 53 residential units located above St. Regis Hotel Bangkok. Another real estate development operation launched in December 2010 is MINT's point-based vacation club under its own brand, Anantara Vacation Club. As at 2Q12, Anantara Vacation Club has total inventory of 46 units, comprising of 20 purpose-built properties adjacent to Anantara Bophut, Samui, two villas in Phuket, three units in Queenstown, New Zealand, three units in Bangkok and the recently added eighteen units in Bali. With the increased marketing efforts including the opening of sales office in Bangkok since December 2011, and new additions of sales offices in Hong Kong and Bali in 1H12 sales of Anantara Vacation Club tripled in 2Q12 compared to 2Q11. The increase in sales of Anantara Vacation Club more than offset the temporary slow down of the sales of residential units in 2Q12, as there was pent-up sales in 2011 from when the project was launched. Nevertheless, the interest in St. Regis Residences remains strong throughout the first half of 2012. As a result, the two real estate businesses, together with rental income from the Estates Samui, reported sales of Bt 602m in 2Q12, an increase of 3% y-y.

For 1H12, sales of real estate development totaled Bt 1,423m, a decline of 5% y-y, as MINT recorded higher 1Q11 revenues from sale of St. Regis Residences because of recognition of pre-sold units prior to the official launch of the project.

Another mixed-use business of MINT is plaza and entertainment business. The company owns and operates three shopping plazas, namely; (1) Royal Garden Pattaya; (2) Turtle Village Shopping Plaza Phuket and (3) Royal Garden Plaza Bangkok. In addition, MINT is the operator of six entertainment outlets, namely (1) Ripley's Believe It or Not Museum; (2) 4D Moving Theater; (3) Haunted Adventure; (4) Infinity Maze; (5) The Louis Tussaud's Waxworks; and (6) latest addition, surreal journey Scream in the Dark. In 2Q12, revenues from plaza and entertainment business increased by 3% y-y to Bt 160m. 1H12 revenues from plaza and entertainment business slightly declined by 1% because of the declining traffic of the entertainment business in Pattaya in 1Q12.

Overall Hotel & Mixed-Use Financial Performance Analysis

All hotel and mixed-use businesses reported healthy revenue growth in 2Q12. Hotel operation exhibited the strongest growth of 49% from second-year of operations of St. Regis Hotel in Bangkok and Anantara Kihavah in Maldives, improvement of the overall hotel portfolio, and the full consolidation of Oaks. Real estate development business was the second biggest revenue contributor with 3% growth, attributable to tripling of revenues of Anantara Vacation Club. Although the hotel business saw higher EBITDA margin as a result of higher operating leverage on the back of improved occupancy and ADR, real estate EBITDA margin was relatively lower in 2Q12 compared to 2Q11 because of higher portion of Anantara Vacation Club business, which is still in the initial stage of the business and therefore has relatively lower EBITDA margin. In addition, 2Q12 EBITDA was artificially high from the one-time adjustment of fair value of investment in Oaks. As a result, EBITDA margin in 2Q12 was stable y-y at 21%. Excluding one-time transaction from Oaks, 2Q11 EBITDA margin would have been 18%.

For 1H12, total hotel and mixed use revenues increased by 46% (52% excluding one-time fair value adjustment of investment in Oaks), mainly attributable to increase in revenue from hotel operations, while the revenue from real estate development slightly slowed down because of the higher sales of St. Regis Residences in 1Q11. EBITDA margin of hotel & mixed use business increased to 29% in 1H12, compared to 28% in 1H11 (27% excluding one-time fair value adjustment of investment in Oaks) because of the higher operating leverage of the hotel business, especially in 1Q12.

Revenue Breakdown

Bt million	**2Q12**	**2Q11**	**%Chg**
Hotel operations*	2,564	1,722	49%
Management fee	74	66	12%
Spa services	80	70	14%
Plaza & entertainment	160	155	3%
Real estate development**	602	585	3%
Total Revenues	3,480	2,598	34%
EBITDA	**726**	**533**	**36%**
EBITDA Margin (%)	**21%**	**21%**	

	1H12	1H11	%Chg
Hotel operations*	5,937	3,364	76%
Management fee	175	145	21%
Spa services	163	151	8%
Plaza & entertainment	309	311	-1%
Real estate development**	1,423	1,503	-5%
Total Revenues	8,007	5,474	46%
EBITDA	**2,285**	**1,508**	**52%**
EBITDA Margin (%)	**29%**	**28%**	

* Includes share of profit and other income
** Includes rental income from the Estate Samui

Retail Trading and Contract Manufacturing Business

At the end of 2Q12, MINT had 247 retail trading points of sales, an increase of 7 points of sales from 240 at the end of 1Q12. Majority of new openings was fashion outlets. Of total 247 retail trading outlets, 79% are operated under fashion brands such as Esprit, Bossini, GAP, Charles & Keith, Tumi and Pedro, while another 15% are operated under cosmetics brands such as Red Earth and Bloom.

Retail Trading's Outlet Breakdown

	2Q12	Chg q-q	Chg y-y
Fashion	196	6	28
Cosmetics	37	1	-8
Others	14	0	1
Total Outlets	**247**	**7**	**21**

In 2Q12, retail trading and contract manufacturing business reported a revenue growth of 4%, compared to the same period last year. While retail trading business saw revenue increase of 22%, revenue of contract manufacturing business decreased by 22%, as NMT manufacturing plant did not resume its full operation until June 2012. EBITDA, on the other hand, decline by 37% to Bt 33m in 2Q12. This was a result of discounted and clearance sales of fashion and cosmetic brands, together with only partial operations of NMT manufacturing plant while there were still fixed costs. EBITDA margin, hence, declined from 7% in 2Q11 to 5% in 2Q12.

Revenues from retail trading and contract manufacturing in 1H12, however, declined by 1% from only partial operation of NMT during the first five months of 2012, which resulted in a decline in revenues of 25% y-y. 1H12 EBITDA, on the other hand, increased by 15% as NMT received the insurance claim in 1Q12 to compensate for the business interruption from the flood. As a result, 1H12 EBITDA margin slightly improved to 9% in 1H12, compared to 8% in 1H11.

Retail Trading and Contract Manufacturing's Revenue Breakdown

Bt million	2Q12	2Q11	%Chg
Retail Trading	555	455	22%
Manufacturing	252	324	-22%
Total Revenues	807	779	4%
EBITDA	**36**	**57**	**-37%**
EBITDA Margin	**5%**	**7%**	
	1H12	**1H11**	**%Chg**
Retail Trading	1,091	949	15%
Manufacturing	505	670	-25%
Total Revenues	1,596	1,619	-1%
EBITDA	**139**	**121**	**15%**
EBITDA Margin	**9%**	**8%**	

Balance Sheet & Cash Flows

The Company has restated its 2011 financial statement after the calculation of the fair net asset value of Oaks Hotels and Resorts Limited, in accordance with the TFRS 3 (Revised 2009) regarding mergers and acquisition. The standard requires that the acquirer retrospectively adjusts the provisional amounts recognized at the acquisition date to reflect new information obtained on facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date and the measurement period shall not exceed one year from the acquisition date.

At the end of 2Q12, MINT reported total assets of Bt 44,021m, an increase of Bt 2,398m from Bt 41,623m at the end of 2011. The increase was primarily the result of:

1. Bt 543m increase in cash and cash equivalent mainly from improved operations and management fees received from managed properties.
2. Bt 501m increase in trade and other receivables from resumed operation of Navasri manufacturing

plant, increased receivables from sales of Anantara Vacation Club and residential units.

3. Bt 1,064m increase in property, plant and equipment, the majority is from the acquisition of Bundarika Hotels and Suites.
4. Bt 302m increase in intangible assets from Oaks' acquisition of additional Management Letting Right ("MLR").

MINT reported total liabilities of Bt 27,825m, an increase of Bt 1,137m from Bt 26,668m at the end of 2011, as a result of an increase in short term loans of Bt 1,193m together with an increase in long term loans of Bt 308m for the investment in Bundarika Hotels and Suites and the adjacent land in Phuket, netted off with partial repayments of trade payables and other short term liabilities.

Shareholders' equity increased by Bt 1,262m to Bt 16,196m from Bt 14,935m at the end of 2011 owing mainly to net profit of Bt 1,638m, the exercise of rights-offering and ESOP warrants of Bt 139m, netted off with cash dividend payment of Bt 499m.

As of 1H12, MINT and its subsidiaries reported cash flows from operations of Bt 1,900m, an increase of Bt 211m y-y. Cash flow paid for investing activities was Bt 2,425m, due primarily to (1) payment of Bt 664m for the acquisitions under Oaks (2) investment in Bundarika Hotels and Suites in Phuket of Bt 924m and (3) payment of Bt 350m as normal capital expenditures for hotel, restaurant and other businesses. The Company reported net cash received from financing activities of Bt 1,072m, comprising of (1) proceeds received loans of Bt 1,431m, the majority of which is for investment in Bundarika Hotel and Suite and Oak's Grand Hotel (2) increased capital from conversion of rights-offering and ESOP warrants of Bt 1,139m and (3) cash dividend paid of Bt 499m. As a result, MINT's net cash and cash equivalents increased by Bt 547m in 1H12.

Financial Ratio Analysis

MINT's gross profit margin declined slightly to 60.8% in 1H12 compared to 61.0% in 1H11 as Oaks's gross profit margin which is lower than MINT's gross profit margin pull down MINT's overall average gross margin. However, net profit margin improved to 10.1% in 1H12 from 8.5% in 1H11 mainly from the improved profitability of restaurant business.

Annualized return on equity increased to 21.1% in 1H12 from 15.6% in the same period last year. Correspondingly, annualized return on assets was up to 7.7% in 1H12 from 6.0% in 1H11. The increase of both ratios was a result of significantly improved net profit.

Current ratio remained at the same level as at the end of 2011 at 0.9x while net interest bearing debt/ equity slightly declined to 1.2x in 1H12 as shareholders' equity increased from the stock dividend payment and conversions of rights-offering and ESOP warrants, together with 1H12 net profit. Annualized interest coverage ratio increased to 7.5x in 1H12 from 5.8x in 1H11 due mainly to the increased cash flow from operations.

Financial Ratio Analysis

Profitability Ratio	**30-Jun-12**	**30-Jun-11**
Gross Profit Margin (%)	60.76%	60.96%
Net Profit Margin (%)	10.06%	8.50%
Return on Equity (%)*	21.06%	15.57%
Efficiency Ratio	**30-Jun-12**	**30-Jun-11**
Return on Assets (%)*	7.66%	6.04%
Collection Period (days)*	19	16
Liquidity Ratio	**30-Jun-12**	**31-Dec-11**
Current Ratio (x)	0.91	0.89
Leverage & Financial Policy	**30-Jun-12**	**31-Dec-11**
Interest Bearing Debt/Equity (x)	1.31	1.33
Net Interest Bearing Debt/Equity (x)	1.21	1.25
	30-Jun-12	**30-Jun-11**
Interest Coverage (x)*	7.51	5.79

Note: *Annualized

Management's Outlook

MINT continues to report strong performance throughout the first half of 2012. Each individual business unit continues to see healthy operations, with its own sets of growth targets. Revenue and earnings growths, however, were not the only key performance measurement of the Company. As part of the long-term plan, MINT also puts emphasis on strong integrity and business ethics. MINT was recently awarded Corporate Governance Asia Recognition Awards Class of 2012 – The Best of Asia from Corporate Governance Asia Magazine. The award was given based on MINT's initiation of best practices in promoting open and ethical values, a spirit of fairness, and continuing dialogue with all stakeholders. In addition, MINT was also named one of the 2012 Southeast Asia Challengers by the Boston Consulting Group, a global management consulting firm and the world's leading advisor on business strategy. MINT was recognized as a leader in the region with the abilities to outgrow its peers and the proven record to expand abroad. The Company continues to best serve customers' needs across 24 countries, while satisfying the interests of the remaining stakeholders; from the award for product quality, "Best Condominium Thailand, Best Luxury Condominium Development in Bangkok and Best Interior Design in South East Asia" for The Residences at St. Regis Bangkok by Thanachart Bank Thailand Property Awards, Asia's Best Brand Award for "Outstanding Consumer Products, Manufacturers and Companies focusing on the trademarks and/or brands the honorees carry" by CMO Asia, to the recognition as "Best Employers in Thailand 2011 in the Hospitality/Restaurants Industry" for Swensen's (Thai) Limited and Sizzler (SLRT Limited) from Aon Hewitt.

Innovation, differentiation and continued expansion lead to expected strong 2H12 results

While organic expansion of restaurants, hotels and retail points of sale remain the core growth engine, distinctive product offering is also another innovative way to propel the growth. Over the past few years, MINT has successfully expanded into new businesses or new territories. For instance, Anantara Vacation Club now has over 1,500 members across the region. Thai Express has expanded rapidly in Korea, and Minor Retail Group's online shopping website, www.thaisale.co.th, has climbed up on the ranking of Thailand's most visited online shopping websites. In the second half of 2012, MINT plans to officially open its first managed hotel under Anantara brand in China. The hotel, Anantara Sanya Resort & Spa, is nestled between green mountains and the beautiful South China Sea. The city of Sanya is also renowned for its tropical climate and is becoming a popular tourist destination. For restaurant business, MINT is opening its first full-dining Coffee Club restaurant in the heart of Bangkok, following the success of Coffee Club cafe at Food Stop, domestic terminal of Suvarnabhumi Airport. Apart from Bangkok, MINT also plans to expand the Coffee Club in the Maldives after launching Swensen's brand last month, and also in Egypt.

In addition, MINT announced the investment in Bundarika Resorts and Suites in Phuket for an estimated total investment of Bt 3 billion. The hotel features 77 villas and suites on 23 rai of beachfront land, together with 32 rai of adjacent hillside land with panoramic sunset views of the Andaman Sea. The hotel will undergo renovation and operational improvement program to enable it to be re-launched as Phuket's second Anantara next year, while the adjoining land will be developed into high-end residential project. Bundarika, together with the new residential project, will be an important addition to MINT's current Phuket portfolio, including the two hotels on Mai Khao beach, namely Anantara Phuket Resort & Spa and JW Marriott Phuket, the Turtle Village Shopping Plaza Phuket located adjacent to the two hotels, as well as the planned launch of the new Anantara Vacation Club Phuket, which features 100 villas worth the total sales amount of approximately Bt 4 billion, at the end of the year. This investment further echoes MINT's commitment to the clustering business model whereby synergy is created among multiple properties and projects within the same location, leading to higher profitability.

With these continued efforts, MINT is confident that the growth momentum will remain strong throughout the second half of 2012 and beyond.

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Ms. Trithip Sivakriskul
Corporate Chief Financial Officer